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⑧ - Navy
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20 October 1945

MEMORANDUM FOR THE ASSISTANT SECRETARY OF WAR

SUBJECT: National Foreign Intelligence Agency

DISCUSSION

Reference memorandum, with inclosures, for the undersigned, from the Assistant Executive, Office of the Assistant Secretary of War, dated 18 October 1945.

1. The Secretary of the Navy has proposed that the Secretary of War and the Secretary of the Navy join in vigorous support of a plan for the establishment of a national foreign intelligence organization under a Director charged with working responsibilities, who would serve and report to the Secretaries of State, War and Navy, as a group.

2. The need for such a foreign intelligence service has long existed and has been heavily underscored by the national experience during the war just ended. The implications of the pivotal position which the United States occupies in world affairs, and the incalculable consequences of the release of atomic energy, call for the immediate establishment of such an organization.

3. In the judgment of the undersigned, the essential elements of such a national foreign intelligence organization are the following:

a. A national foreign intelligence organization must be regarded, and effectively serve, as the instrument of any and all parts of the national government concerned with national security or foreign policy. Since it is the Departments of State, War and Navy which are most directly and immediately concerned in these matters, it is appropriate that they should coordinate the foreign intelligence activities of the federal government and exercise joint supervision over such a national foreign intelligence organization.

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b. The national foreign intelligence organization should serve as the central agency within the government for the comprehensive analysis and synthesis of information concerning foreign nations. All departments and agencies of the government which collect such information, whatever may be the manner of collection, should be required promptly to deposit with the national foreign intelligence organization such part of the information collected in such form as may be required by the national foreign intelligence organization. The information thus deposited will be collated, analysed and incorporated into comprehensive studies. This is not intended to interfere with the appropriate activities of the several agencies now engaged in the collection of such information. It is designed to accomplish the pooling of their product. Such a pooling is essential to bring together, for presentation to those charged with responsibility for the formulation of national security and foreign policy, the comprehensive picture necessary to the proper discharge of their responsibilities.

c. The national foreign intelligence organization should also be the national instrument for the procurement of foreign intelligence by clandestine means. The collection of foreign information by overt means by the foreign service of the State Department, and by military and naval attaches and other agencies of the government must, of course, continue. But there is important information, vital to the security of the United States, which cannot be obtained except by clandestine means. Such secret intelligence procurement would include both espionage and counter espionage.

d. The national foreign intelligence organization should not engage in the procurement of intelligence by secret means within the United States. Its clandestine intelligence procurement operations would be concerned exclusively with areas outside the United States.

e. The national foreign intelligence organization should not have any police power.

f. The national foreign intelligence organization should have its own independent budget.

g. The national foreign intelligence agency should be so organized as to have great flexibility and to be able to maintain complete security of operations.

ACTION RECOMMENDED

That the Secretary of War join with the Secretary of the Navy in strongly supporting the proposal for the

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establishment of a foreign intelligence agency, organized in accordance with the principles hereinabove set forth, under a Director who would serve and report to the Secretaries of State, War and Navy, as a group. If there should be a merger of the armed forces, the supervisory group might well consist of the Secretary of State and the secretary for the armed forces.

JOHN MACGRUDER
Brig. General
Director

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